# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
Petition for Declaratory Ruling that	)	WC Docket No. 03-45
Pulver.com's Free World Dialup is	)	W C BOCKET 110: 03 13
Neither Telecommunications Nor	)	
a Telecommunications Service	)	
	)	

## REPLY COMMENTS OF THE UNITED STATES TELECOM ASSOCIATION

The United States Telecom Association (USTA), pursuant to the Public Notice released herein on February 14, 2003, hereby files its reply comments. USTA filed comments herein on March 14, 2002. In those comments, USTA urged the Federal Communications Commission (FCC) to deny the Petition for Declaratory Ruling (Petition) of pulver.com (Petitioner) without prejudice to it being filed again at an appropriate future date. After reviewing the comments filed herein, USTA continues to believe that dismissing the Petition without prejudice is the most appropriate FCC action.

#### **DISCUSSION**

In its comments, Cisco Systems, Inc., (Cisco) offers support for the Petition.<sup>2</sup> Cisco often cites to the FCC's 1998 *Report to Congress*<sup>3</sup> as justification and authority for granting the relief

<sup>&</sup>lt;sup>1</sup> Public Notice, WC Docket No. 03-45, DA 03-439 (rel. Feb. 14, 2003).

<sup>&</sup>lt;sup>2</sup> See Comments of Cisco Systems, Inc., WC Docket No. 03-45, filed March 14, 2003.

<sup>&</sup>lt;sup>3</sup> Federal-State Joint Board on Universal Service, Report to Congress, 13 FCC Rcd 11501 (1998) (Report to Congress).

requested in the Petition.<sup>4</sup> Cisco's reliance on the 1998 *Report to Congress* as determinative of the classification issues presented by the Petition is misplaced. As USTA observed in its comments, "it must be recognized that the analysis performed by the FCC [in the *Report to Congress*] was conducted five years ago." "Further, the classification conclusions offered by the FCC with respect to VoIP in the *Report to Congress* were tentative even then." USTA continues to believe that the FCC must "update the record to incorporate changes in technology that have occurred over the past five years; revisit its tentative conclusions in the *Report to Congress* and issue final, reviewable conclusions; address how it will ensure the continuation of specific, predictable and sufficient universal service support mechanisms in light of its final conclusions; and complete pending rulemaking proceedings concerning the appropriate regulatory classification for services and facilities used to provide broadband access to the Internet" before it addresses the merits of the Petition.<sup>7</sup>

The Voice on the Net Coalition (VON Coalition) also "supports any classification of Free World Dialup as neither telecommunications nor a telecommunications service." As justification for its position, the VON Coalition offers that "VON remains a nascent industry." "Premature intervention risks stifling the innovation and competition that are hallmarks of nascent industries, and is at odds with the statutory mandate of Section 230(b) to preserve the 'vibrant and competitive free market' for the Internet." USTA disagrees.

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<sup>&</sup>lt;sup>4</sup> Cisco Comments at 2-5.

<sup>&</sup>lt;sup>5</sup> USTA Comments at 4.

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> *Id*. at 4-5.

<sup>&</sup>lt;sup>8</sup> Comments of the VON Coalition, WC Docket No. 03-45, filed March 14, 2003, at 1.

<sup>&</sup>lt;sup>9</sup> *Id*. at 3.

<sup>&</sup>lt;sup>10</sup> *Id*.

First, it should be noted that Section 230 of the Communications Act<sup>11</sup> provides for the protection of private blocking and screening of offensive material transmitted over the Internet. While it does reference certain policies of the United States concerning the Internet, the context for the stated policies is wholly unrelated to the issues raised by the Petition. Further, determining the appropriate classification for Free World Dialup does not, by itself, violate any of the national policies set forth in Section 230(b). The first task for the FCC should it ever address the merits of the Petition is to identify the essential characteristics of Free World Dialup and determine its regulatory classification. Once it has determined the appropriate classification, the FCC can then decide what, if any, regulatory dispensation is merited based on other applicable provisions in the Communications Act or policy reasons that are within the jurisdiction of the FCC to consider. Whether Free World Dialup is a nascent service or a mature service, correctly identifying its regulatory classification at the appropriate time is necessary. It is, though, premature at this point to do so, and the FCC should dismiss the Petition without prejudice.

In its comments, Global Crossing North America (Global Crossing) concludes that the Petition should be granted.<sup>12</sup> Global Crossing then goes on to present substantive arguments concerning the merits of the *Petition for Declaratory Ruling That AT&T's Phone-to-Phone IP Telephony Services Are Exempt from Access Charges*, WC Docket No. 02-361.<sup>13</sup> Issues related to AT&T's petition are best addressed in that proceeding. The AT&T petition is relevant here only to the extent that it illustrates the many variations of voice over Internet protocol (VoIP)

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<sup>&</sup>lt;sup>11</sup> 47 U.S.C. § 230.

<sup>&</sup>lt;sup>12</sup> Comments of Global Crossing, WC Docket No. 03-45, filed March 14, 2003, at 2.

<sup>&</sup>lt;sup>13</sup> *Id*. at 2-3.

service that exist and why great care, and a fully developed factual record, are required before the FCC acts to determine the regulatory classification of Free World Dialup.

Finally, the comments filed by BellSouth Corporation (BellSouth), SBC Communications, Inc., (SBC) and Verizon identify important facts concerning Free World Dialup. 14 It appears that the description of Free World Dialup found in the Petition may soon change. Such changes could significantly affect any decision concerning the regulatory classification of Free World Dialup.

Although the Petition represents that a subscription to Free World Dialup is free, <sup>15</sup>
BellSouth notes that "petitioner has stated publicly its intention to charge for the service in the future." <sup>16</sup> SBC points out that a recent press release quoting Jeff Pulver "indicates that FWD service will become an ENUM registrar, which will enable callers from outside the FWD community to call FWD members." <sup>17</sup> In its comments, Verizon indicates that petitioner has made an announcement suggesting that in the future Free World Dialup "might expand to permit communications with non-broadband customers." <sup>18</sup> It appears that the essential characteristics of Free World Dialup are not fixed at this time. If true, there is little to be gained by the FCC attempting to determine the regulatory classification of Free World Dialup now since any decision may be rendered moot by the next iteration of the service.

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<sup>&</sup>lt;sup>14</sup> See Comments of BellSouth; Opposition of SBC Communications, Inc.; and Comments of Verizon, WC Docket No. 03-45, filed March 14, 2003.

<sup>&</sup>lt;sup>15</sup> Petition at 3.

<sup>&</sup>lt;sup>16</sup> BellSouth Comments at 4.

<sup>&</sup>lt;sup>17</sup> SBC Comments at 2.

#### **CONCLUSION**

On the basis of its previously filed comments and these reply comments, USTA asks that the FCC deny the Petition without prejudice.

Respectfully submitted,

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April 2, 2003

<sup>&</sup>lt;sup>18</sup> Verizon Comments at 2.

### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of USTA's Reply Comments in WC Docket No. 03-45 was
served on this 2nd day of April 2003 by electronic delivery or first class, postage prepaid mail to
the persons listed below.

By: /s/
Sharron V. Turner

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